

EXHIBIT 1

IN THE DISTRICT COURT IN AND FOR TULSA COUNTY
STATE OF OKLAHOMA

DISTRICT COURT
FILED

MAR 04 2016

XANADU EXPLORATION COMPANY,

Plaintiff,

vs.

CRUM AND FORSTER INDEMNITY
COMPANY dba FAIRMONT SPECIALTY,

Defendant.

SALLY HOWE SMITH, COURT CLERK
STATE OF OKLA: TULSA COUNTY

CJ-2016-00885

Judge _____
Rebecca Brett Nightingale

PETITION

COMES NOW, Xanadu Exploration Company ("Plaintiff") and for its cause of action against Crum and Forster Indemnity Company, doing business as Fairmont Specialty ("Defendant") and for its causes of action herein alleges and states as follows:

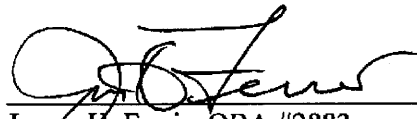
1. Plaintiff is an Oklahoma corporation doing business in Tulsa County, Oklahoma.
2. Defendant is a non-domestic corporation doing business in Tulsa County, Oklahoma.
3. Defendant is an insurance company issuing policies of insurance in Oklahoma.
4. Jurisdiction and venue of this action is proper in this Court.
5. Defendant issued to and for the benefit of Plaintiff commercial general liability insurance with coverage limits of \$1,000,000.00 (the "Insurance Policy").
6. During the term of the Insurance Policy, Plaintiff had a loss and incurred liability for which the Insurance Policy provided coverage.
7. Plaintiff made a claim to Defendant to pay the loss and liability incurred as a result of the incident. Defendant characterized the claim under its "Claim Number MCC005 70497" (the "Claim").

8. Defendant failed to pay the Claim.
9. Defendant's failure to pay the Claim was in breach of its obligations under the Insurance Policy.
10. Plaintiff's losses and liability for which the Claim was made are in excess of \$100,000.00 for which Defendant is liable to Plaintiff.
11. Additionally, and as and for Plaintiff's claim against Defendant for breach of Defendants duty of good faith and fair dealing in the handling of the Claim, Plaintiff incorporates by reference paragraphs 1 through 10 above and additionally alleges as follows:

- A. Defendant has failed to pay Plaintiff's insurance Claim within the time required by Oklahoma statutes.
 - B. Defendant has failed to pay Plaintiff's insurance Claim within the time required under the Insurance Policy.
 - C. Defendant has failed to handle the Claim in a timely manner.
 - D. Defendant has not dealt with Plaintiff and the Claim in good faith.
 - E. Defendant, in committing the acts complained of herein acted willfully, wantonly, and in reckless disregard of the rights of Plaintiff.
- Therefore, pursuant to 23 O.S. § 9.1, punitive damages should be awarded Plaintiff against Defendant in an amount to be determined by the jury.

12. Plaintiff is, additionally, entitled to be awarded judgment for interest at the rate of fifteen percent (15%) per year on the Claim, pursuant to 36 O.S. § 3629(B) as a result of Defendant's breach of the Insurance Contract.
13. Plaintiff is, additionally, entitled to be awarded judgment for its costs and attorneys' fees against Defendant pursuant to 36 O.S. § 3629(B).

WHEREFORE, Xanadu Exploration Company hereby requests judgment against Crum and Forster Indemnity Company for an amount of no less than \$100,000.00 on its Claim under the Insurance Policy, for damages for Defendant's breach of its duty of good faith and fair dealing in an additional amount of no less than the Claim, for an amount of no less than \$1,000,000.00 for punitive damages, for statutory interest on its Claim herein, and for such additional relief as to which it is adjudged entitled.



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